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January 26, 1995

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### BY HAND

William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

> Oral and Written Ex Parte Presentation (KENTALE) No. 94-32 Re:

Dear Mr. Caton:

On Thursday, January 26, 1994, Ronald L. Mahany of Norand Corporation and Marc Berejka and I met with David A. Siddall, Legal Advisor, and James L. Casserly, Senior Legal Advisor to Commissioner Ness, to discuss Norand's position in the abovereferenced proceeding. The information presented and discussed during the meeting is contained in Norand's Comments and in the attached document which was distributed at the meeting. In accordance with § 1.1206(a) of the Commission's rules, two copies of this material are being submitted for inclusion in the public record. Please contact me if you have any questions.

Sincerely,

Stephen R. Bell/ Stephen R. Bell

Enclosure

cc: David A. Siddall James L. Casserly

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# JAN 2 6 1995 Reation of Federal Spectrum Below 5 GHz

ET Docket No. 94-32

Presented by:

Yorand Corporation

### Norand Overview

- 25 years old, approximately \$193 million annual sales
- Pioneer in mobile computing, 10th year producing RF products
- R&D expenditures equal more than 10% of overall sales revenues
- Produces hand-held and industrial-mobile computer products
- 50% of products incorporate interactive RF data communications capabilities
- Offer Part 90 (450 MHz) and Part 15 spread spectrum product lines
- Nearly 20% of revenues from exports in FY '93

Norand Corporation

## Part 15 Industry

- Norand was the pioneer
- Recently joined by AT&T, IBM, Motorola, Apple
- Product line includes cordless phone, wireless LAN
- Wireless LAN market to grow from \$70 million in 1993 to \$1.7 billion in 2000
- Part 15 spread spectrum device most efficient technology for wireless LAN
- Export oriented

### Current Allocation for Part 15 Spread Spectrum Devices

- 902-928 MHz subject to AVM proceeding, ET Docket No. 93-61
- 2400-2483.5 MHz upper portion dominated by microwave ovens
- 5725-5850 MHz not currently useable

## Proposed Reallocation of 2402-2417

• Generic non-federal allocations licensed by auction

Norand Corporation

# Reallocation Seriously Impacts Part 15 Technology

- Limits usefulness of existing products
  - Millions of devices
- Destroys value of R&D
  - Hundreds of millions of dollars
- Restricts the capabilities of future Part 15 products
- Severely limits export market

# No Party Has Presented A Plausible Proposal for Licensed Uses

- 40 parties oppose licensed use
  - ▶ Motorola, AT&T
- Only 6 support licensed use
  - Wireless loop apparently more appropriate in 2.3 GHz
  - MMDS, MSS and public safety fail to address interference from ISM and Part 15 use and interference to Part 15
- Original supporters of licensed use (APCO, API) have abandoned support

### Reallocation Is Inconsistent with Public Interest

- Commission encouraged development of Part 15 at 2402 to 2417 MHz
- Commission recognized reallocation would jeopardize investment in Part 15

"Any future changes to this band could jeopardize significant private sector investment already made in this band and could result in a loss of benefits to the public and the Federal Government."

FCC Report to Ronald H. Brown, Secretary, U.S. Department of Commerce, Regarding the Preliminary Spectrum Reallocation Report, FCC 94-213, Released August 9, 1994, at § 51.

Norand Corporation

# Reallocation Is Inconsistent with Public Interest (continued)

- "Critical importance of [unlicensed Part 15] wireless systems to the future development of the National Information Infrastructure (NII) is well recognized and supported."<sup>2</sup>
- Auctions should not, and arguably cannot, be used to allocate spectrum

A letter from NTIA Administrator Larry Irving to Chairman Hundt, dated December 12, 1994.